

On March 3, 2014 the City of Cannon Falls will be holding a referendum for up to \$4.25 million dollars to build a new aquatic center. Prior to the referendum the City Council will hold two public informational meetings to present the proposed new pool, projected tax impacts, and answer any citizen questions. The informational meetings will be held on January 21 and February 18 at 5:30 p.m. at the Cannon Falls City Hall, 918 River Road. This new facility will replace the existing pool and will be located in the same area. A Pool Committee has been meeting and gathering information for a new pool. The committee worked with US Aquatics as a partner to develop the proposal for the new pool. US Aquatics is located in Delano, MN and has been involved with dozens of pool/aquatic center projects the past few years. Recent area pools they have been worked on include LaCrescent, Plainview, Stewartville and Spring Grove.

The Pool Committee did review renovating and remodeling the existing pool structure. The estimated cost to do repairs and bring the pool up to all existing building, pool, ADA, and safety codes was almost \$1.9 million. The existing pool was built in 1969. Due to the age of the current facility and the anticipated cost to bring the pool just up to code the committee recommended the build new option.

The entire project will cost approximately \$4 million. The \$250,000 difference in the amount being requested is a contingency in case of unforeseen problems during the project. In the end the City will only bond the amount needed to complete the project.

The proposal is for two separate bodies of water. This allows for one pool to remain open in the event of an "accident" that occurs in the other pool. The amenities (slides, diving boards, etc) will be split between the two pools. One of the pools will be a "zero entry" pool so that people of all ages and abilities can utilize the new facility. This "zero entry" design essentially replaces the "baby pool" design of the existing pool. The other pool will be of the more traditional design (deeper entry, swim lanes, etc). This design accommodates the current swimming lessons, water aerobics, etc and other potential new programs. A new pool house and concession stand with covered eating area is planned as a part of this project.

**City of Cannon Falls, Minnesota****Estimated Tax Impact**

January 8, 2014

\$4.25M - 20 Years

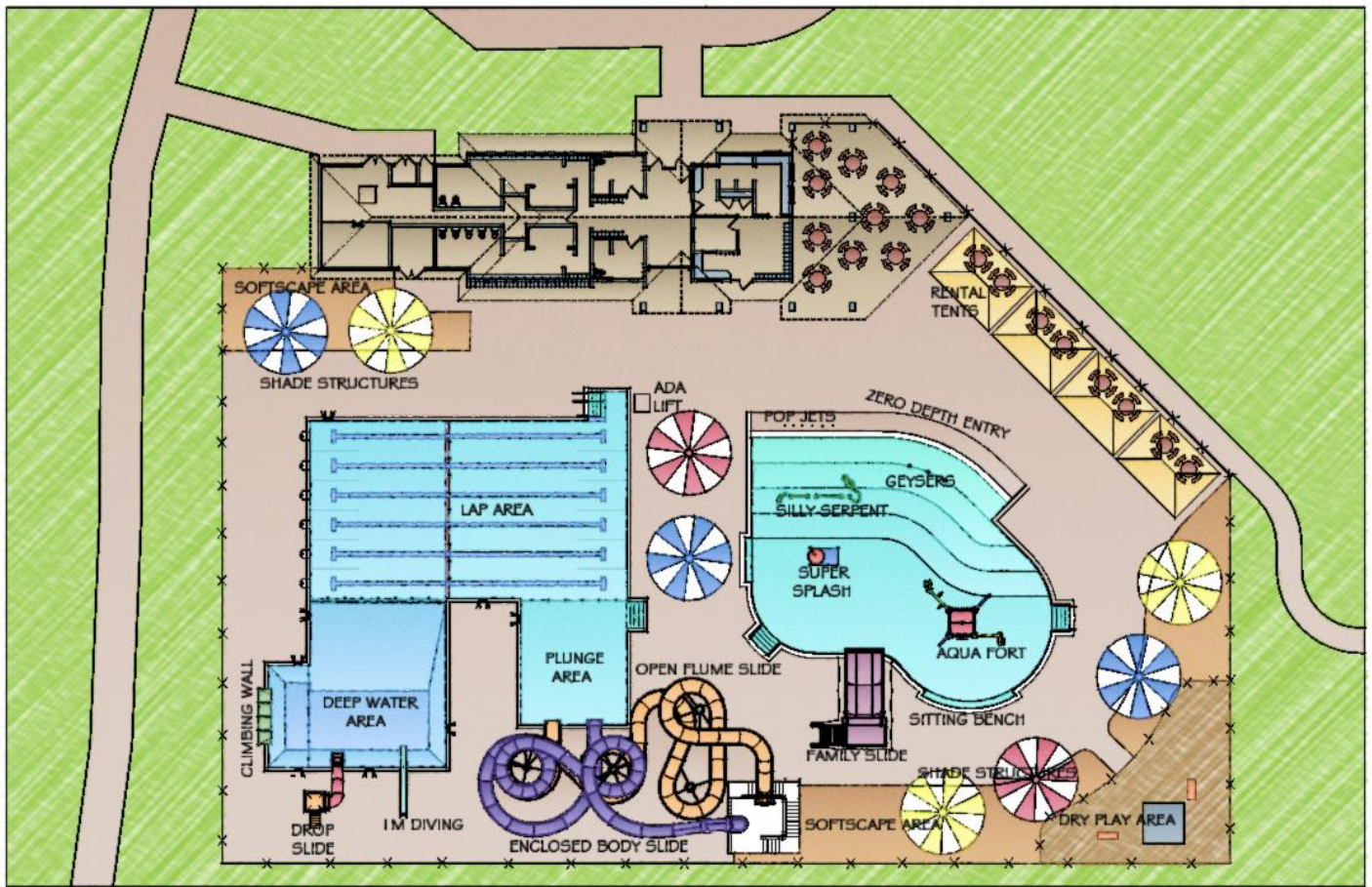
BOND ISSUANCE INFORMATION	
Bond Issue Amount	\$4,455,000
Number of Years	20
Average Interest Rate	3.88%
Estimated Bond Rating	S&P AA-
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2013	3,285,519
Debt Levy @ 105% - Average	338,248
Estimated Tax Capacity Rate:	
Payable - 2013 Without Proposed Bonds	74.916%
Payable - 2013 With Proposed Bonds	85.211%
Estimated Tax Rate Increase	10.295%

TAX IMPACT ANALYSIS								Tax Increase is for Debt Service Only*		
Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax	Annual	Monthly	Daily
Residential Homestead	\$ 50,000	\$ 20,000	\$ 30,000	\$ 300	\$ 224.75	\$ 30.89	\$ 255.63	\$30.89	\$2.57	\$0.08
	75,000	30,000	45,000	450	337.12	46.33	383.45	46.33	3.86	0.13
	100,000	28,240	71,760	718	537.60	73.88	611.47	73.88	6.16	0.20
	125,000	25,990	99,010	990	741.74	101.93	843.68	101.93	8.49	0.28
	150,000	23,740	126,260	1,263	945.89	129.99	1,075.88	129.99	10.83	0.36
	175,000	21,490	153,510	1,535	1,150.04	158.04	1,308.08	158.04	13.17	0.43
	200,000	19,240	180,760	1,808	1,354.18	186.09	1,540.28	186.09	15.51	0.51
	225,000	16,990	208,010	2,080	1,558.33	214.15	1,772.48	214.15	17.85	0.59
	250,000	14,740	235,260	2,353	1,762.47	242.20	2,004.68	242.20	20.18	0.66
	300,000	10,240	289,760	2,898	2,170.77	298.31	2,469.08	298.31	24.86	0.82
Commercial/Industrial	\$ 100,000	\$ -	\$ 100,000	\$ 1,500	\$ 1,123.74	\$ 154.43	\$ 1,278.17	\$154.43	\$12.87	\$0.42
	200,000	-	200,000	3,250	2,434.77	334.59	2,769.36	\$334.59	\$27.88	\$0.92
	300,000	-	300,000	5,250	3,933.09	540.49	4,473.58	\$540.49	\$45.04	\$1.48
	400,000	-	400,000	7,250	5,431.41	746.39	6,177.80	\$746.39	\$62.20	\$2.04
	500,000	-	500,000	9,250	6,929.73	952.30	7,882.03	952.30	79.36	2.61
	1,000,000	-	1,000,000	19,250	14,421.33	1,981.81	16,403.14	1,981.81	165.15	5.43
Apartments (4 or more units)	\$ 200,000	\$ -	\$ 200,000	\$ 2,500	\$ 1,872.90	\$ 257.38	\$ 2,130.28	\$257.38	\$21.45	\$0.71
	300,000	-	300,000	3,750	2,809.35	386.07	3,195.42	386.07	32.17	1.06
	500,000	-	500,000	6,250	4,682.25	643.44	5,325.69	643.44	53.62	1.76
Agricultural Homestead **	\$ 150,000	\$ 23,740	\$ 126,260	\$ 1,381	\$ 1,034.81	\$ 142.21	\$ 1,177.02	\$142.21	\$11.85	\$0.39
	400,000	23,740	376,260	2,631	1,971.26	270.90	2,242.16	270.90	22.57	0.74
	500,000	23,740	476,260	3,131	2,345.84	322.37	2,668.22	322.37	26.86	0.88
	600,000	23,740	576,260	3,631	2,720.42	373.85	3,094.27	373.85	31.15	1.02
	800,000	23,740	776,260	4,631	3,469.58	476.80	3,946.38	476.80	39.73	1.31
	1,000,000	23,740	976,260	5,631	4,218.74	579.75	4,798.49	579.75	48.31	1.59
Agricultural Non-Homestead (dollars per acre)	\$ 1,500	\$ -	\$ 1,500	\$ 15	\$ 11.24	\$ 1.54	\$ 12.78	\$1.54	\$0.13	\$0.00
	2,000	-	2,000	20	14.98	2.06	17.04	2.06	0.17	0.01
	2,500	-	2,500	25	18.73	2.57	21.30	2.57	0.21	0.01
Seasonal/Recreation Residential	\$ 100,000	\$ -	\$ 100,000	\$ 1,000	\$ 749.16	\$ 102.95	\$ 852.11	\$102.95	\$8.58	\$0.28
	200,000	-	200,000	2,000	1,498.32	205.90	1,704.22	205.90	17.16	0.56
	300,000	-	300,000	3,000	2,247.48	308.85	2,556.33	308.85	25.74	0.85
	400,000	-	400,000	4,000	2,996.64	411.80	3,408.44	411.80	34.32	1.13

* The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.

Final Design

PROPOSED OUTDOOR FAMILY AQUATIC FACILITY



CANNON FALLS, MN